LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7341 NOTE PREPARED: Apr 4, 2013
BILL NUMBER: HB 1481 BILL AMENDED: Apr 2, 2013

SUBJECT: Permits for Loads.

FIRST AUTHOR: Rep. Slager BILL STATUS: 2nd Reading - 2nd House

FIRST SPONSOR: Sen. Charbonneau

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) The bill authorizes the Indiana Department of Transportation (INDOT) or a local authority to grant permits for transporting overweight divisible loads.

The bill provides definitions for equivalent single axle load mile and overweight divisible load for purposes of transportation. The bill authorizes INDOT to charge five cents per equivalent single axle load mile for a permit for an overweight divisible load. It provides that the annual fee for an overweight divisible load permit may not exceed \$470.

The bill also requires INDOT to adopt rules for the: (1) issuance, fee structure, and enforcement of overweight divisible loads; (2) fee structure of loads on extra heavy duty highways; and (3) fee structure of overweight loads.

The bill requires INDOT to study the impact of overweight divisible loads on Indiana's transportation infrastructure and economy not later than December 31, 2014, and to: (1) consider the results of the study in adopting rules to establish fees for overweight divisible load permits; and (2) report the results of the study to the General Assembly in an electronic format.

Effective Date: Upon passage.

Explanation of State Expenditures: *Divisible Loads* - The bill would allow INDOT and/or local authorities (depending upon who has jurisdiction over the state highway, interstate highway, or local street) to grant permits for transporting overweight divisible loads for the transportation of metal commodities and agricultural

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commodities. A divisible load is defined as a tractor-semitrailer weighing more than 80,000 pounds that may be separated or reduced in order to meet the specified regulatory limits for weight and meet other requirements for height, length, width, and certain axle and wheel weight configurations.

Under the bill, the maximum weight for divisible loads hauling metal commodities is 120,000 pounds, and the maximum weight for divisible loads hauling agricultural commodities is 97,000 pounds.

(Revised) *Study on Impact of Overweight Divisible Loads* - The bill requires INDOT to study the impact of overweight divisible loads on Indiana's transportation infrastructure and economy and must report its findings to the General Assembly. The results of this study must be considered when INDOT adopts rules to establish fees for overweight divisible load permits.

Adoption of Rules for Overweight Loads- The bill requires that INDOT adopt rules for the issuance, fee structure, and enforcement of permits for overweight divisible loads, fee structure on loads on extra heavy duty highways, and a fee structure on overweight loads. Existing statutes mandating the fee structure for permits for loads on extra heavy duty highways and overweight loads expire on the earlier of the date of the adoption of such rules or December 31, 2014. Regardless of the rules ultimately adopted, the permit fees on overweight divisible loads may not be increased more than once every two years. The statutes created by the bill that mandate the issuance, fee structure, and enforcement of overweight divisible loads expire on the earlier of the date of the adoption of such rules or December 31, 2014.

The provisions contained within the bill are within INDOT's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues: (Revised) The fee for an overweight divisible load permit issued in the bill consists of \$0.05 per equivalent single axle load mile. An equivalent single axle load mile is a unit used to quantify various types of axle loadings into a single number. The formula to determine an equivalent single axle load mile is contained within the bill. However, annual fees for permits for overweight divisible loads may not exceed \$470 as provided in the bill.

Data on the number of vehicles and the equivalent single axle load mile of the vehicles that may be issued overweight divisible load permits under the bill are unknown. Permit fees generated from the issuance of overweight divisible load permits will be deposited in the State Highway Fund.

The bill's impact on the amount of revenue generated from permits on loads on extra heavy duty highways, as well as overweight load permits, is indeterminable, as the impact is dependent upon the rule making of INDOT.

Explanation of Local Expenditures: Local authorities may issue permits under the bill for overweight divisible loads that utilize local streets under their jurisdiction. Revenues generated by permits issued by local authorities will remain within the applicable local jurisdiction.

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Transportation.

Local Agencies Affected: Counties, cities, and towns.

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